



InterCommunity

MENTAL HEALTH GROUP, INC.

**TESTIMONY OF INTERCOMMUNITY MENTAL HEALTH GROUP, INC.  
SUBMITTED TO THE PUBLIC HEALTH COMMITTEE**

**Friday, March 12, 2010**

**HB 5447 (RAISED) AN ACT CONCERNING THE CERTIFICATE OF NEED PROCESS.**

InterCommunity Mental Health Group, Inc. ("InterCommunity") appreciates the opportunity to submit testimony on **HB 5447 (Raised), An Act Concerning the Certificate of Need Process.**

InterCommunity is a private non-profit tax exempt corporation. Our charitable mission is to help children and adults with mental illness and addiction disorders improve their quality of life by providing opportunities for healing and recovery. Our facilities, located at 281 and 287 Main Street, East Hartford, Connecticut, are licensed by the Departments of Public Health and Children and Families respectively, as well as accredited by the Joint Commission. Moreover, since 1981, we have contracted with the Department of Mental Health and Addiction Services ("DMHAS") to operate as the Lead Mental Health Authority for six townships.

Our contractual relationship with DMHAS, coupled with our non-profit status, qualifies us for the discretionary exemption from the Certificate of Need requirements found at Conn. Gen. Stat. § 19a-639b. All other providers must either be granted an exemption or obtain a Certificate of Need.

HB 5447 removes the discretionary exemption for non-profit entities with state contracts and rather provides that all mental health and substance abuse providers not otherwise affiliated with a health care facility, regardless of their non-profit status or relationship with a state agency, are not subject to any level of Certificate of Need review. Specifically, Section 8 removes the discretionary exemption, while the new definition of "health care facility" in Section 1 does not include the above-noted mental health and substance abuse providers and Section 5 expressly carves them out of the Certificate of Need requirements (See, proposed Conn. Gen. Stat. § 19a-638(b)(13)).

**This broad exception to the Certificate of Need requirements is unnecessary and may disrupt the financial stability of non-profit providers, like Intercommunity, that are largely dedicated to serving patients who are supported by state programs or are uninsured.** Particularly, the proposed legislation will allow for-profit providers with no relationship to the state or charitable purpose to freely establish competing facilities that will be able to "cherry pick" the more lucrative patient population away from existing non-profit providers that depend on that revenue to further their charitable missions. Presently, any provider that intends to establish a new facility is required to demonstrate, among other things, that there is a clear public need for the proposal. We do not see why this should change.

In sum, we ask that any final legislation on this issue preserve the historical protections afforded to non-profit entities under contract with a state agency. We encourage streamlining the exemption process for these limited providers, but take exception to expanding the exemption any further.

Thank you for your consideration of our position.

Kimberly L. Beauregard, LCSW  
President & CEO

*Creating  
opportunities for  
healing and recovery  
for people living with  
mental illness*

InterCommunity Mental Health Group, Inc.  
281 Main Street  
East Hartford, CT 06118  
860-569-5900  
860-569-5614 Fax